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Saudi Exchange

iBoxx Tadawul SAR Government Sukuk Indices – Q3 2026

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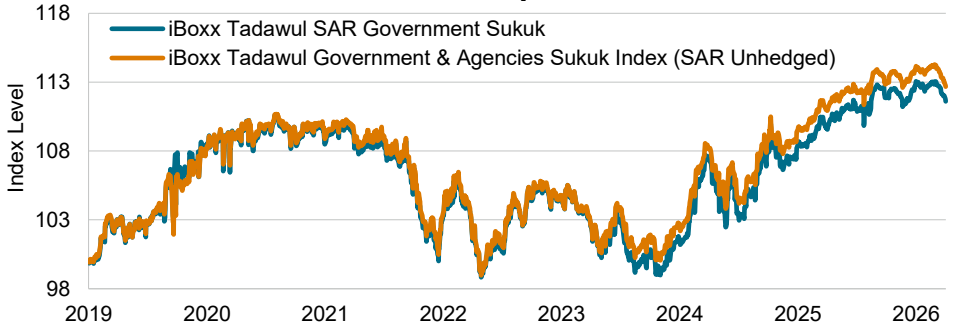
Featuring the iBoxx Tadawul Government & Agencies Sukuk Index (SAR Unhedged)

The iBoxx Tadawul Government & Agencies Sukuk Index (SAR Unhedged), launched on May 6, 2025, measures the performance of SAR-denominated government sukuk and USD-denominated government and agency sukuk. The index reflects Shariah-compliant fixed income securities issued by government and agency issuers domestically and internationally. Notably, as of Sept. 30, 2026, SAR sukuk comprised approximately 79% of the index weight, with the remainder being USD sukuk. This composition allowed the index to closely align with the performance characteristics of the iBoxx Tadawul SAR Government Sukuk, while also benefiting from diversification through its USD components.

Exhibit 1: Index Performance Comparison



Source: S&P Dow Jones Indices LLC. Data from June 30, 2019, to Sept. 30, 2026. The iBoxx Tadawul Government & Agencies Sukuk Index (SAR Unhedged) was launched on May 6, 2025. The iBoxx Tadawul SAR Government Sukuk was launched in February 2020. The launch date used in these materials is a conservative known date for which the iBoxx Tadawul SAR Government Sukuk was live at the time, but the actual launch date may have been earlier. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

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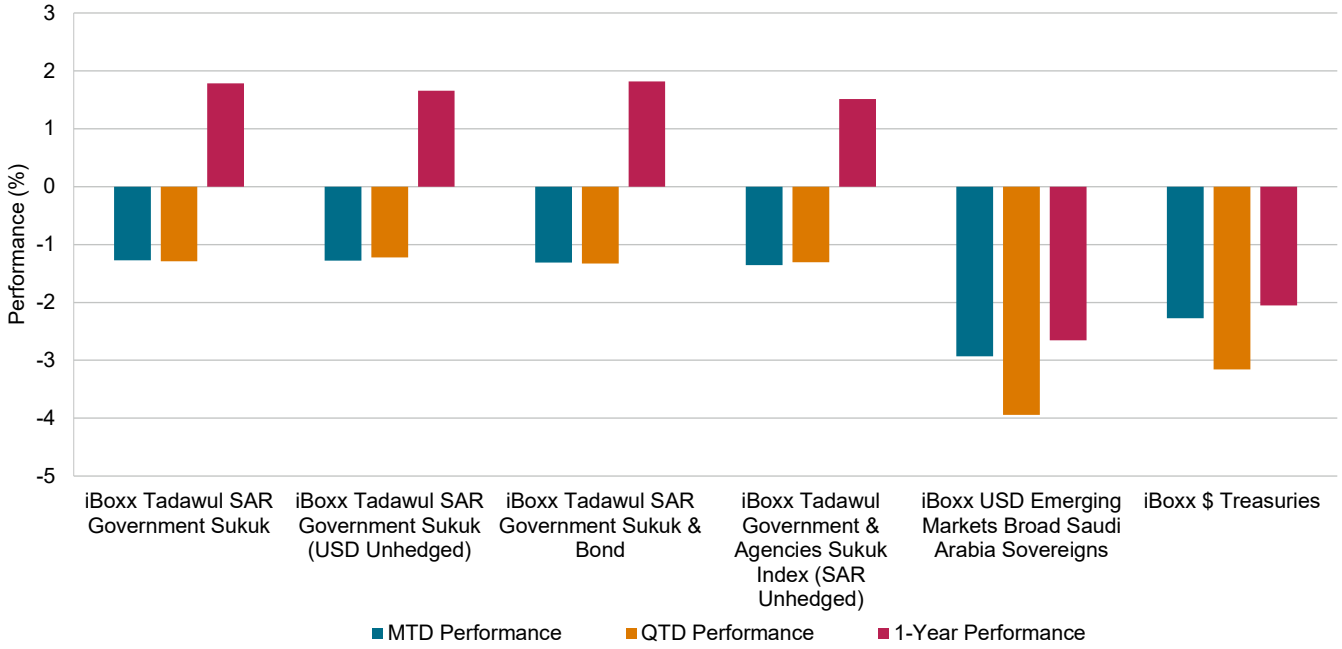
Exhibit 2: Comparison of iBoxx Tadawul SAR Government Sukuk Performance against Other Indices



Source: S&P Dow Jones Indices LLC. Data from June 30, 2025, to Sept. 30, 2026. The iBoxx Tadawul SAR Government Sukuk (USD Unhedged) was launched on Feb. 27, 2025. The iBoxx Tadawul Government & Agencies Sukuk Index (SAR Unhedged) was launched on May 6, 2025. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

In Q3 2026, the Saudi Central Bank (SAMA) raised its benchmark repo rate by 25 bps to 4.50% on Sept. 16, 2026, citing the objective of preserving monetary stability. In the same quarter, the iBoxx Tadawul SAR Government Sukuk decreased by 1.29%. Since the Saudi riyal is pegged to the U.S. dollar, both the iBoxx Tadawul SAR Government Sukuk and iBoxx Tadawul SAR Government Sukuk (USD Unhedged) exhibited similar performance.

As of Sept. 30, 2026, there were no longer any SAR-denominated bonds in the iBoxx Tadawul SAR Government Sukuk & Bond, as all the conventional bonds matured without replacement issuances from the National Debt Management Center (NDMC), resulting in a small performance difference when compared to the iBoxx Tadawul SAR Government Sukuk (USD Unhedged).

The Kingdom of Saudi Arabia diversifies its debt portfolio between domestic and international financing, with USD-denominated debt being the primary source of international issuances. USD-denominated bonds and sukuk from Saudi Arabia are tracked by the iBoxx USD Emerging Markets Broad Saudi Arabia Sovereigns.

In general, the performance of USD-denominated securities more closely resembled that of U.S. Treasuries compared to other indices as shown in Exhibit 2. This similarity stems from the USD-denominated debt interest rate curve reflecting the prevailing U.S. Treasuries interest

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curve. The iBoxx USD Emerging Markets Broad Saudi Arabia Sovereigns underperformed U.S. Treasuries during Q3 2026, dropping to -3.95% and -3.16% for the quarter, reversing an upward trend in Q2.

Exhibit 3a: Key Analytics of the iBoxx Tadawul SAR Government Sukuk and Other Indices

Key Analytics	iBoxx Tadawul SAR Government Sukuk	Change since Q2 2026	iBoxx Tadawul Government & Agencies Sukuk Index (SAR Unhedged)	Change since Q2 2026	iBoxx USD Emerging Markets Broad Saudi Arabia Sovereigns	Change since Q2 2026
Annual Yield (%)	5.97	0.48	5.93	0.56	6.53	0.93
Coupon (%)	3.94	0.05	4.00	0.03	4.49	0.00
Duration (Years)	5.83	-0.15	4.94	-0.18	5.78	-0.57
Expected Remaining Life (Years)	7.50	-0.16	5.90	-0.19	10.43	-0.25
Average Rating	A	-	A	-	A	-
Currency	SAR	-	SAR & USD	-	USD	-
Debt Type	Domestic Sovereign Sukuk	-	SAR Sovereign Sukuk USD Sovereigns & Agencies Sukuk	-	USD Sovereign Sukuk and Bonds	-
Minimum Amount Outstanding	SAR 100 Million	-	SAR 100 Million USD 250 Million	-	USD 250 Million	-

Source: S&P Dow Jones Indices LLC. Data as of Sept. 30, 2026. Table is provided for illustrative purposes.

Exhibit 3b: Key Analytics of the iBoxx Tadawul SAR Government Sukuk and Other Indices Post-Rebalancing

Key Analytics	iBoxx Tadawul SAR Government Sukuk	Change since Q2 2026	iBoxx Tadawul Government & Agencies Sukuk Index (SAR Unhedged)	Change since Q2 2026	iBoxx USD Emerging Markets Broad Saudi Arabia Sovereigns	Change since Q2 2026
Rebalancing Frequency	Quarterly	-	Quarterly	-	Monthly	-
Number of Instruments	46	-1	64	2	44	2
Notional Amount (SAR Billions)	693.63	3.46	815.63	31.79	-	-
Notional Amount (USD Billions)	184.75	0.93	217.24	8.48	132.21	3.25

Source: S&P Dow Jones Indices LLC. Data as of Sept. 30, 2026. Index performance based on total return in currency of the indices. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

As of the rebalance on Sept. 30, 2026, the annual yield of the SAR-denominated indices rose by 48 bps to 5.97% while the USD-denominated debt yield increased by 93 bps to 6.53%. Duration for SAR-denominated and USD-denominated indices narrowed. The number of iBoxx Tadawul SAR Government Sukuk constituents dropped by one to 46.

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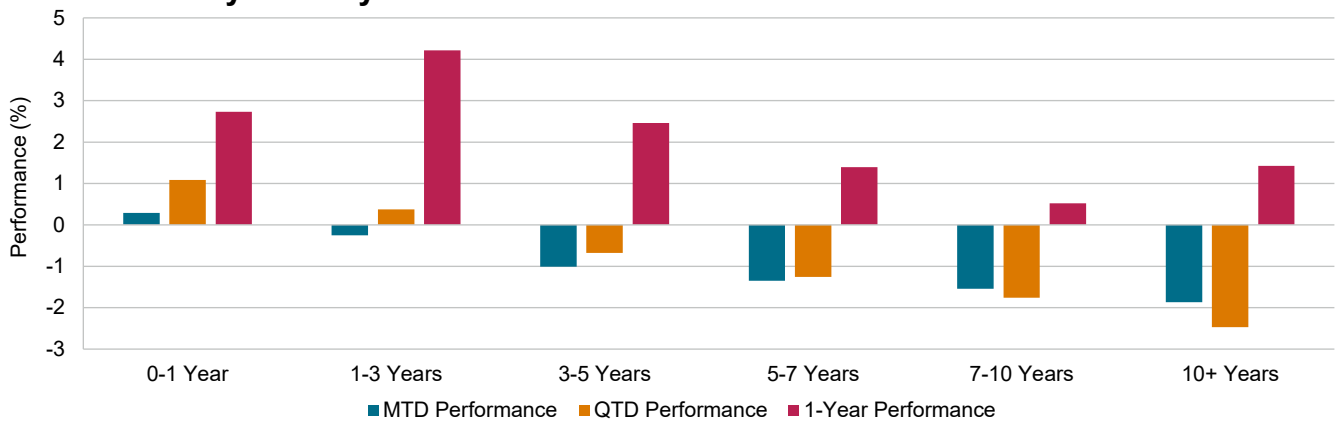
While no new SAR-denominated sukuk entered the index, additional taps by NDMC of existing issuances added SAR 3.46 billion to the total notional amount tracked by the index, bringing the total to SAR 693.63 billion.

The majority of the maturity buckets shown in Exhibit 4 posted negative performance in Q3, with the 0-1 years segment posting the strongest performance (and it was up 2.74% over the one-year period). The 10+ year segment showed the largest drop of 2.47% QTD.

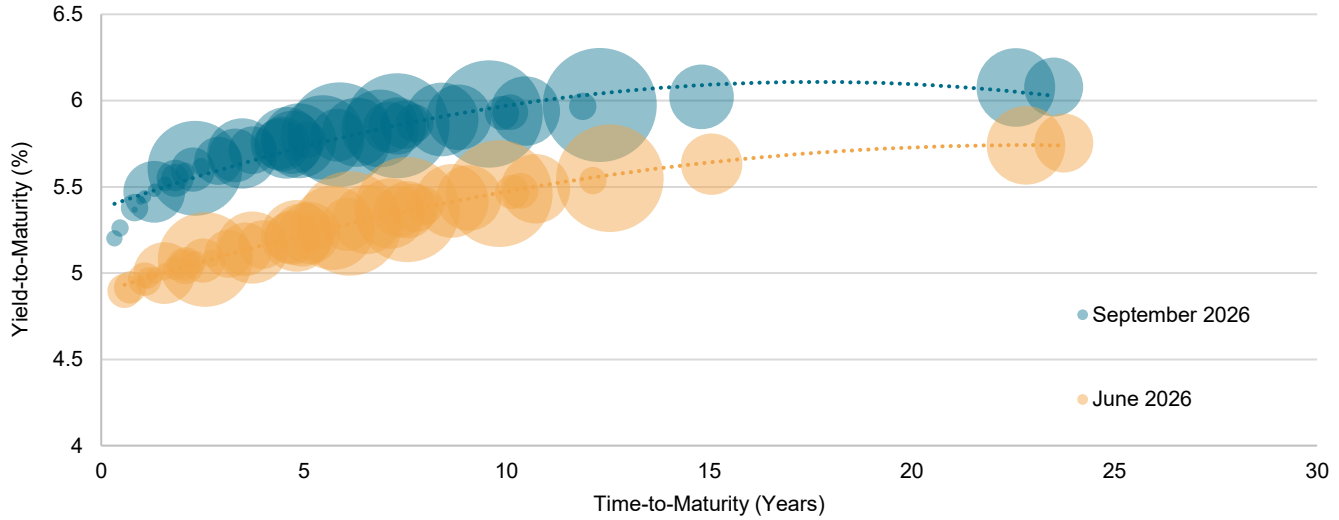
Exhibit 4: iBoxx Tadawul SAR Government Sukuk Monthly, Quarterly and One-Year Performance by Maturity



Source: S&P Dow Jones Indices LLC. Data as of Sept. 30, 2026. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

The 25-bps increase in Saudi Arabia's repo rate was accompanied by an upward shift in the sukuk yield curve, with the short-dated yields rising to 5.50%, while yields at the long end of the yield curve increased from approximately 5.75% to around 6.00%.

Exhibit 5: Yield Curve of the iBoxx Tadawul SAR Government Sukuk



(Bubble Scale = Notional Amount Outstanding in SAR)
Source: S&P Dow Jones Indices LLC. Data as of Sept. 30, 2026. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

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Performance Disclosure/Back-Tested Data

The iBoxx Tadawul SAR Government Sukuk (USD Unhedged) was launched February 27, 2025. The iBoxx Tadawul Government & Agencies Sukuk Index (SAR Unhedged) was launched May 6, 2025. The iBoxx Tadawul SAR Government Sukuk was launched in February 2020. The Launch Date used in these materials is a conservative known date for which the iBoxx Tadawul SAR Government Sukuk was live at the time, but the actual Launch Date may have been earlier. All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance, and is based on the index methodology in effect on the index launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Also, the treatment of corporate actions in back-tested performance may differ from treatment for live indices due to limitations in replicating index management decisions. Complete index methodology details are available at www.spglobal.com/spdji. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

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